

S.C. Leading Index Continues to Slide

The South Carolina Leading Index fell again for the third straight month, as continued declines in the stock market and an increase in the number of Unemployment Insurance claimants outweighed the relatively stagnant other factors which make up the index. The decline of 0.14 points to 99.60 marked the third-straight month of gradual decline in the SCLI since it reached a 20-month high back in March, and June's index score also marked the first time in more than a year that the index fell below the average score of the previous twelve months.

-Rebecca M. Gunnlaugsson, Ph.D.



Source: South Carolina Department of Commerce

Unemployment Rate, Labor Force Count Decline

South Carolina's unemployment rate fell by another 0.4 percentage points in June and has now fallen 1.8 percentage points since reaching a historic peak in January 2010. This decline since the beginning of the year has been the most rapid decline in the nation, fueled by increases in employment and decreases in the labor force. In June, the seasonally-adjusted labor force declined by nearly 10,000 people, primarily from the unemployment ranks. This figure marked the fourth-straight month the state's workforce declined, and the number of people in the labor force stands at its smallest level since August 2008.

Meanwhile, South Carolina's seasonally-adjusted employment count fell by about 1,000 people in June, ending a streak of four straight months of employment gains. Since January, in seasonally-adjusted terms, South Carolina has seen its employment count climb by 17,598 people, or 0.93 percent. That percentage growth ranks 17th in the nation and is the second-fastest in the South Atlantic region.

The South Carolina Department of Commerce's Research Division is a highly-skilled, multidisciplinary group of professionals dedicated to the collection, analysis and dissemination of precise, timely data. The team of 13 individuals—including two Ph.D.s and seven Master's degrees—has experience ranging from economics and business to statistics, information technology, and more. The group integrates workforce and economic development research through the incorporation of federally-funded Labor Market Information directives and state-funded workforce and economic development initiatives. If you would like to receive Commerce's monthly Economic Outlook, e-mail EconomicOutlook@SCcommerce.com.

KEY S.C. INDICATORS

Income

+9.7%

State Personal Income

rose to \$4.9 billion in the 1st quarter of 2010.

U.S. Bureau of Economic Analysis

-3.5%

South Carolina Stock Index

fell 2.89 index points during June, closing at 78.63 on the month's last day of trading.

Bloomberg

Employment

-0.2%

Nonfarm Employment

fell by 3,000 jobs in June, primarily due to seasonal decreases in the Government sector.

U.S. Bureau of Labor Statistics

-0.4%

Labor Force

decreased by a seasonally-adjusted 9,618 people in June.

U.S. Bureau of Labor Statistics

-0.4

Unemployment Rate

fell 0.4 percentage points from a revised 11.1 percent in May to 10.7 percent in June.

U.S. Bureau of Labor Statistics

+0%

Manufacturing Weekly Hours

held steady at a revised 41.9 hours in June.

U.S. Bureau of Labor Statistics

9.5%

Available Online Job Postings

increased by 4,900 positions in June to a seasonally-adjusted 56,400 job postings.

The Conference Board Help Wanted Online Index

Real Estate

0.8%

Single-Family Home Sales Price

climbed \$1,000 to \$142,000 in June when compared to the previous month.

South Carolina Association of Realtors

+2.3%

Building Permits

increased in June by 29 units to a level of 1,279 permits issued for the month.

U.S. Census Bureau

South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

Total nonfarm employment fell by an estimated 3,000 jobs in June. Just as last month's report indicated a large increase in jobs in the government sector, this month reports a significant (-10,300) drop in government sector jobs, attributed to reduction of non-teacher education positions for the summer months. Growing sectors were led by the Leisure and Hospitality

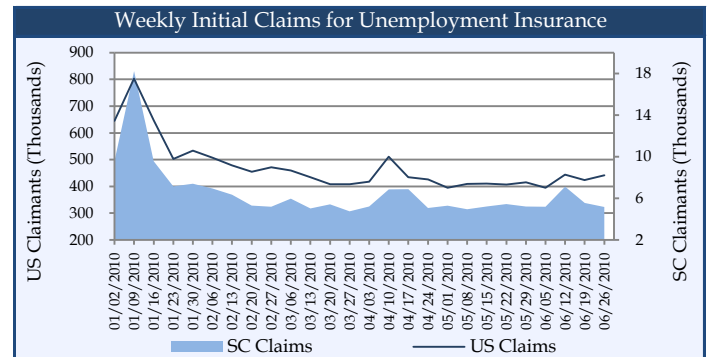
sector once again, which grew by 6,200 jobs. The Trade, Transportation and Utilities sector grew by 1,700 employed workers, and the Construction sector grew by 900 jobs. The Manufacturing sector also increased, growing by 500 jobs. Other than government, shrinking sectors included Educational and Health Services as well as Professional and Business Services.

Industry Sector	June 2010	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	293,200	291,700	305,800	0.51	-4.12
Natural Resources and Mining	4,400	4,300	4,100	2.33	7.32
Construction	80,100	79,200	89,000	1.14	-10.00
Construction of Buildings	20,400	19,800	22,100	3.03	-7.69
Heavy and Civil Engineering Construction	10,800	10,800	12,700	0.00	-14.96
Specialty Trade Contractors	48,900	48,600	54,200	0.62	-9.78
Manufacturing	208,700	208,200	212,700	0.24	-1.88
Durable Goods	112,500	112,600	116,300	-0.09	-3.27
Nondurable Goods	96,200	95,600	96,400	0.63	-0.21
Service Providing	1,551,100	1,555,600	1,524,400	-0.29	1.75
Trade, Transportation, and Utilities	348,000	346,300	350,800	0.49	-0.80
Wholesale Trade	65,400	65,400	65,200	0.00	0.31
Retail Trade	225,300	223,500	225,600	0.81	-0.13
Transportation, Warehousing, and Utilities	57,300	57,400	60,000	-0.17	-4.50
Information	27,900	27,800	27,500	0.36	1.45
Finance	103,100	102,800	102,500	0.29	0.59
Finance and Insurance	74,400	74,700	74,100	-0.40	0.40
Real Estate and Rental and Leasing	28,700	28,100	28,400	2.14	1.06
Professional and Business Services	213,200	214,400	198,100	-0.56	7.62
Professional, Scientific, and Technical	74,300	75,400	72,400	-1.46	2.62
Management of Companies and Enterprises	14,100	14,100	14,400	0.00	-2.08
Administrative Support and Waste Management	124,800	124,900	111,300	-0.08	12.13
Educational and Health Services	207,900	209,900	206,600	-0.95	0.63
Leisure and Hospitality	220,200	214,000	220,900	2.90	-0.32
Arts, Entertainment, and Recreation	30,000	28,700	30,700	4.53	-2.28
Accommodation and Food Services	190,200	185,300	190,200	2.64	0.00
Other Services	71,400	70,700	70,200	0.99	1.71
Total Private	1,484,900	1,477,600	1,482,400	0.49	0.17
Government	359,400	369,700	347,800	-2.79	3.34
Federal Government	36,400	41,700	31,100	-12.71	17.04
State Government	95,100	98,600	96,000	-3.55	-0.94
Local Government	227,900	229,400	220,700	-0.65	3.26
Total Nonfarm	1,844,300	1,847,300	1,830,200	-0.16	0.77

Source: U.S. Department of Labor, Bureau of Labor Statistics

Initial UI Claims Climb in June

Initial Unemployment Insurance claims increased in June over the previous month, but remained in line with levels experienced before the recent economic downturn. The average 6,056 weekly claims during June were about 11 percent ahead of last month's figures but nearly 35 percent below the number of claims experienced during the same time last year. The state often experiences initial UI claim increases in June. Since 2000, UI claims have increased in June over the previous month seven times and decreased only three times. And while the economic patterns of the state typically point to an increase in the number of initial UI claims in June, it is almost a certainty that claims will increase in July. In fact, every July this century has seen initial UI claims jump, often by 30 percent or more.



Source: U.S. Department of Labor



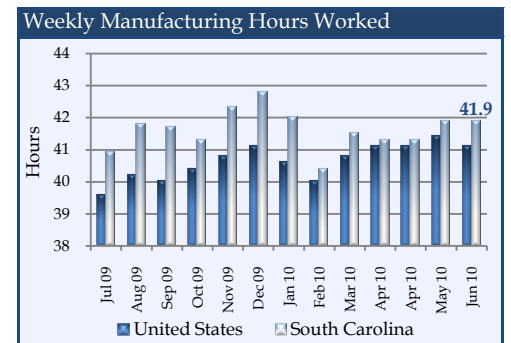
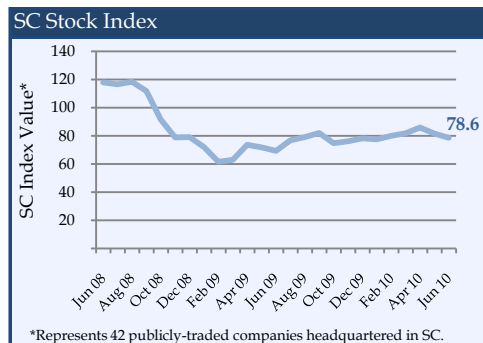
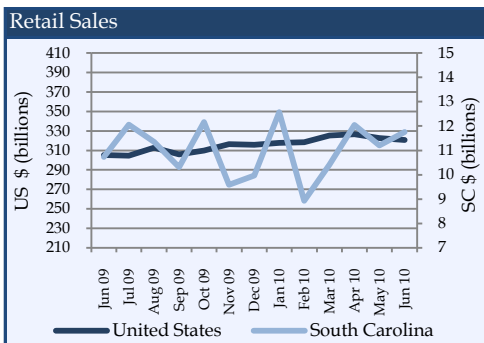
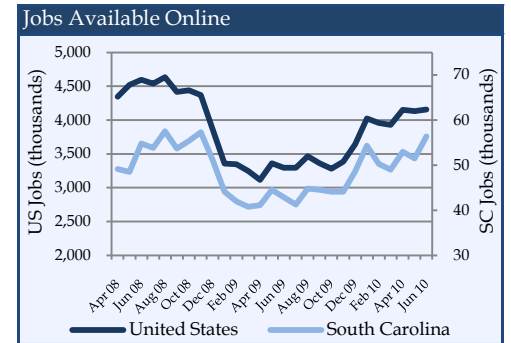
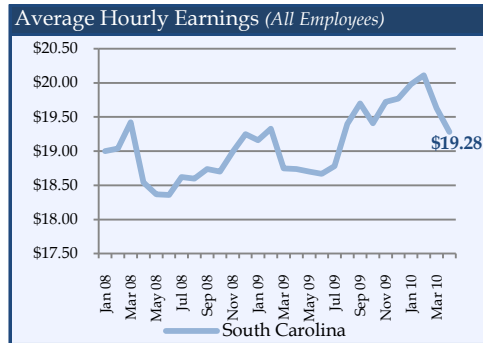
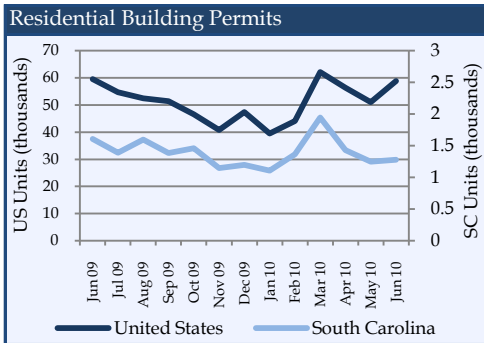
South Carolina Real Estate

Closings on residential homes in June continued on the pace seen in South Carolina in recent months, as nearly 25 percent more transactions were finalized this month when compared to a year ago. Halfway through the year, closings are 23.0 percent ahead of last year's totals. June median sales prices were below last year's price, down \$5,000 - or 3.4 percent - to \$142,000. However the year-to-date median sales price remains some 3.7 percent ahead of last year. Foreclosures also continued to increase in South Carolina in June, up 63.6 percent when compared to the same month last year.

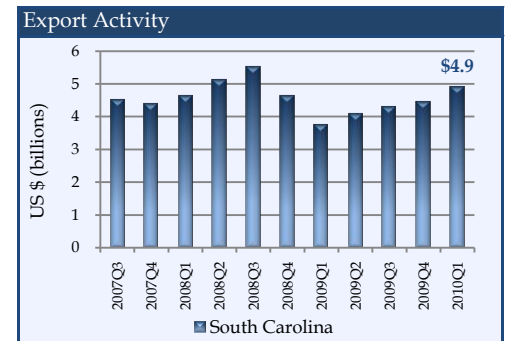
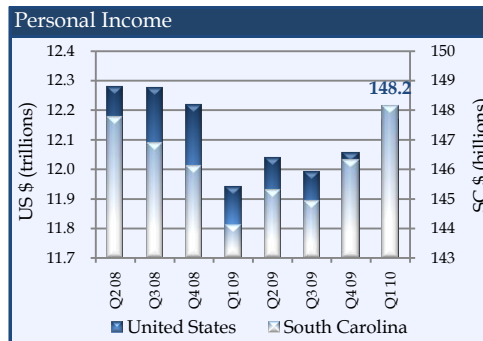
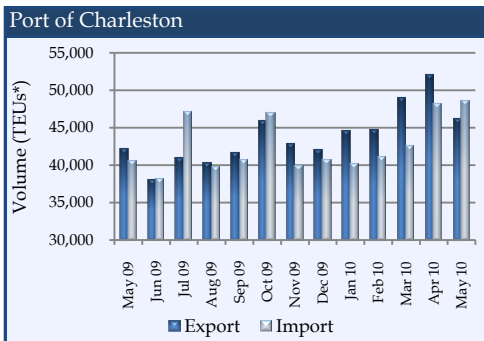
	Month	Current	Previous Year	% Change Year Ago	2010 YTD	2009 YTD	% Change YTD
Closings	June	5,234	4,195	24.8%	23,399	19,029	23.0%
Median Sales Price*	June	142.0	147.0	-3.4%	140.0	135.0	3.7%
Foreclosures	June	2,779	1,699	63.6%	20,002	14,402	38.9%
Residential Building Permits-Total	June	1,279	1,606	-20.4%	8,373	7,674	9.1%
Residential Building Permits-Valuation*	June	219,802	267,729	-17.9%	1,439,372	1,239,651	16.1%

* Thousands of US dollars. Source: S.C. Association of Realtors, RealtyTrac, U.S. Census

Business Activity



Income and Output



South Carolina Regional Update

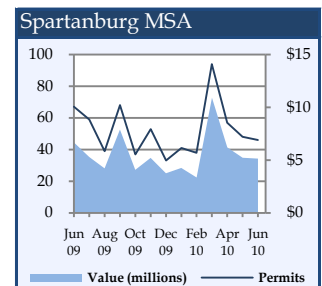
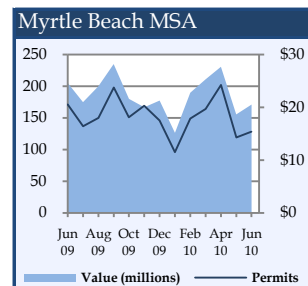
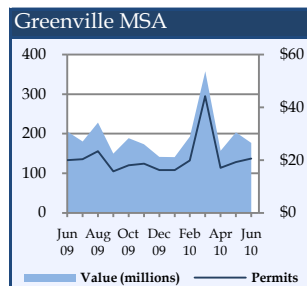
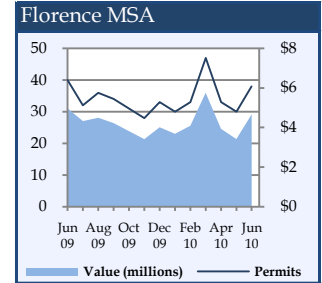
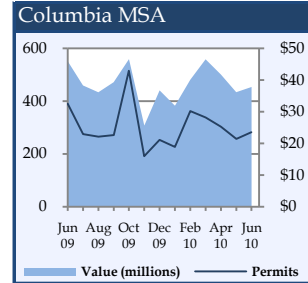
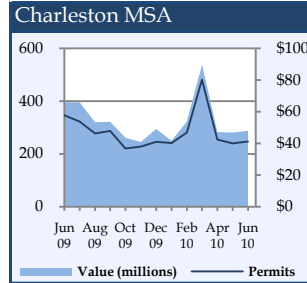
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSA) in the state. As expected, only the Myrtle Beach MSA experienced a non-seasonally adjusted unemployment rate decline, falling to 10.3 percent, boosted by tourism jobs.

Home Sales

MSA	Indicator	Jun 09	Jun 10
Charleston	Sales Volume	732	1,022
	Median Price (000's)	\$193	\$186
Columbia	Sales Volume	719	926
	Median Price (000's)	\$140	\$145
Florence	Sales Volume	160	189
	Median Price (000's)	\$122	\$117
Greenville	Sales Volume	673	762
	Median Price (000's)	\$139	\$151
Myrtle Beach	Sales Volume	573	754
	Median Price (000's)	\$156	\$145
Spartanburg	Sales Volume	273	286
	Median Price (000's)	\$125	\$116
South Carolina	Sales Volume	4,195	5,234
	Median Price (000's)	\$147.0	\$142.0

Source: S.C. Association of Realtors

Building Permits



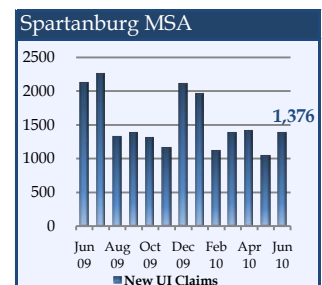
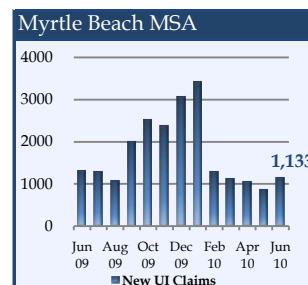
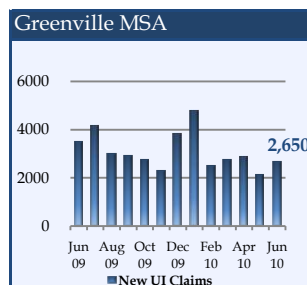
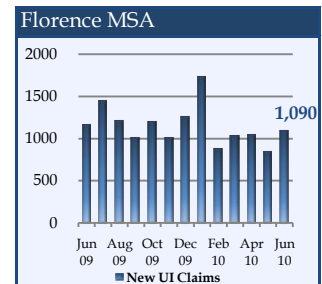
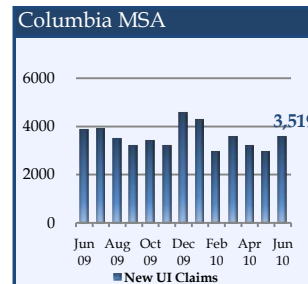
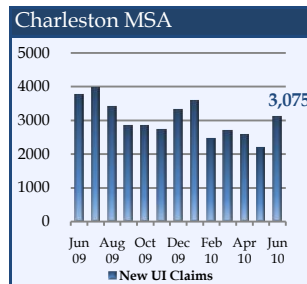
Source: U.S. Census

Employment

MSA	Indicator	May 10	Jun 10
Charleston	Employment (000's)	295.7	298.0
	Unemployment Rate	8.7	9.4
Columbia	Employment (000's)	338.7	337.6
	Unemployment Rate	8.8	9.4
Florence	Employment (000's)	84.4	84.8
	Unemployment Rate	11.0	11.7
Greenville	Employment (000's)	279.8	279.8
	Unemployment Rate	9.4	9.9
Myrtle Beach	Employment (000's)	119.5	126.0
	Unemployment Rate	10.6	10.3
Spartanburg	Employment (000's)	119.0	119.0
	Unemployment Rate	10.9	11.6
South Carolina	Employment (000's)	1,934.8	1,941.8
	Unemployment Rate	11.1	10.7

Source: U.S. Bureau of Labor Statistics (MSA figures not seasonally adjusted)

Unemployment Insurance Claims



Source: SCDOC analysis of SCDEW data

Forbes: "America's Best Bang-For-The-Buck Cities" - ranking nation's 100 largest MSA's

5th: Augusta-Aiken, GA-SC

12th: Columbia, SC

20th: Greenville -Mauldin-Easley, SC

27th: Charleston-North Charleston-Summerville, SC

56th: Charlotte-Gastonia-Rock Hill, NC-SC

Source: Forbes.com